

NATIONAL RECOVERY ADMINISTRATION

AMENDMENT TO
CODE OF FAIR COMPETITION

FOR THE

MEN'S GARTER, SUSPENDER AND
BELT MANUFACTURING INDUSTRY

AS APPROVED ON JANUARY 27, 1934



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Approved Code No. 94—Amendment No. 1

AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

**MEN'S GARTER, SUSPENDER, AND BELT
MANUFACTURING INDUSTRY**

As Approved on January 27, 1934

ORDER

**APPROVING AMENDMENT TO CODE OF FAIR
COMPETITION**

FOR THE

**MEN'S GARTER, SUSPENDER, AND BELT
MANUFACTURING INDUSTRY**

An application having been duly made pursuant to and in full compliance with the provisions of Title I, of the National Industrial Recovery Act, approved June 16, 1933, for approval of an amendment to a Code of Fair Competition for the Men's Garter, Suspender, and Belt Manufacturing Industry, and hearings having been duly held thereon and the annexed report on said amendment, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order No. 6543-A, dated December 30, 1933, and otherwise; do hereby incorporate, by reference, said annexed report and do find that said amendment and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said amendment be

and it is hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

A. D. WHITESIDE,
Division Administrator.
WASHINGTON, D.C.,
January 27, 1934.

The PRESIDENT,
The White House.

SIR: The Public Hearing on an amendment to the Code of Fair Competition for the Men's Garter, Suspender, and Belt Manufacturing Industry as proposed by the Code Authority for this Industry was conducted on December 22, 1933 in Room D of the Washington Hotel, Washington, D.C. Every person who requested an appearance was fairly heard in public in accordance with the usual requirements. Present were authorized representatives of the Code Authority for this Industry and representative members of the Industry.

The Code of Fair Competition for the Men's Garter, Suspender, and Belt Manufacturing Industry, approved November 4, 1933, did not contain any Trade Practice Provisions. Article V, Section 4 of this Code provides that the Code Authority shall study provisions relating to trade practices and make recommendations thereon to the Administrator. Proposed Trade Practice Provisions were accordingly submitted by the Code Authority for approval, and formed the entire subject matter of this amendment.

In final form this amendment has been approved by the Labor Advisory Board, Industrial Advisory Board, Research and Planning Division, and Legal Division of the National Recovery Administration. The Code Authority has indicated its approval of the Trade Practice Provisions on behalf of the Industry.

The Deputy Administrator in his final report to me on said amendment to said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) The amendment to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof.

(c) The Code empowers the Code Authority to present the aforesaid amendment on behalf of the industry as a whole.

(d) The amendment and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendment and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendment.

For these reasons, these trade practice provisions have been approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

JANUARY 27, 1934.

AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

MEN'S GARTER, SUSPENDER, AND BELT MANUFACTURING INDUSTRY

ARTICLE IX—TRADE PRACTICES

The following practices are established as methods of fair competition for members of this industry and any violations of these shall be constituting an unfair method of competition.

1. Customers shall be classified as follows:

- (a) General wholesale dry goods, jobbers, including exporters.
- (b) Specialty wholesale houses handling principally neckwear, belts, garters, suspenders, collar pins, and belt buckles.
- (c) Retail accounts purchasing direct from the manufacturer.
- (d) Mail-order houses.
- (e) Chain stores.
- (f) Manufacturers' sales agents.

The Code Authority may from time to time modify, amplify, and/or define the foregoing customer classifications subject to the right of review by the Administrator.

2. Any member of the Industry who markets any or all of his products through sales agencies or commission men and who retains title to such products, shall make it a condition that such sales agencies or commission men agree to be bound by and comply with all trade practice provisions of this Code to the same extent as applies to and is required of a member of the Industry.

3. Terms of sale on all merchandise sold to various classes of customers, as hereinbefore defined, shall not be greater than the following:

All customers in Class (a), 2% ten days E.O.M., net sixty days.

All customers in Class (b), 2% ten days E.O.M., net sixty days.

All customers in Class (c), 2% ten days E.O.M.

All customers in Class (d), 2% ten days E.O.M.

All customers in Class (e), 2% ten days E.O.M.

Invoices rendered for goods shipped on and after the twenty-fifth day of each month may bear the date of the first day in the following month, but no other dating shall be allowed, except as hereinafter provided.

4. Garter belts sold to Corset Departments may be sold on cash and/or trade discounts not greater than eight percent (8%) ten days E.O.M.

5. (A) No member of the industry shall give to any customer any trade discount, quantity discount, or any other discount, rebate, or allowance, except as provided in Sections 3 and 4 hereof. The pro-

visions of this section shall not be construed to prohibit price differentials by any member of the industry between customers.

(B) No member of the industry shall give to any customer any rebate or allowance of any kind on any merchandise because of a decline in price after shipment has been made.

6. (A) "Holiday Goods" may be shipped to customers in Class (C), as hereinbefore defined, at the manufacturer's convenience and not more than thirty (30) days' dating given, provided that such extra dating shall not make the discount date fall later than January 10 of the following year; anticipation may be allowed at a rate not to exceed one half of one percent monthly, but such datings and anticipation shall be confined exclusively to "Holiday Goods."

(B) "Holiday Goods" may be shipped to customers in Classes (a), (b), (d), and (e), as hereinbefore defined, at the manufacturer's convenience and not more than sixty (60) days' dating given, provided that such extra dating shall not make the discount date fall later than January 10 of the following year; anticipation may be allowed at a rate not to exceed one half of one percent monthly, but such datings and anticipation shall be confined exclusively to "Holiday Goods."

The term "Holiday Goods", as used herein above, is defined to include any merchandise specially packed for the Christmas trade and intended to be sold for Christmas gifts, and having special containers or other designation appropriate to Christmas. All other merchandise is definitely excluded from the special terms provided in Section 6.

7. No member of the Industry shall give, permit to be given, or directly offer to give anything of value for the purpose of influencing or rewarding the action of any employee, agent, or representative of another in relation to the business of the employer of such employee, the principal of such agent, or the represented party without the knowledge of such employer, principal, or party. Commercial bribery provisions shall not be construed to prohibit a general distribution of articles commonly used for advertising except so far as such articles are actually used for commercial bribery as hereinabove defined.

8. No member of the Industry shall accept the return of any article for credit or exchange which is subject to the provisions of the Code, except on account of defects in manufacture; provided, however, that articles returned on account of errors in shipment, delay in delivery, or failure to conform to specifications may be accepted if returned within ten (10) days from date of receipt by the customer.

9. No merchandise shall be shipped on consignment, memoranda, or guaranteed sale.

10. No member of the Industry shall sell any article, subject to the provisions of this Code, at a price below his individual cost. However, any member may meet the price competition of any competitor whose cost under this Code is lower. Cost for the purposes of this provision shall be determined in accordance with the uniform cost and accounting system provided for in Article V, Section 2, subsection (i) hereof when such system is recommended by the Code Authority and approved by the Administrator.

11. The sale and/or delivery of distressed merchandise, discontinued styles, salesmen's samples, seconds, and faulty or defective merchandise falling below the manufacturer's standard for regular goods, and all similar merchandise, shall be confined to two periods during the year, viz, one period from December 16 to January 31 and another period from July 5 to August 5 of each year, provided, however, that upon application to the Code Authority a Member of the Industry may upon proper showing obtain permission to dispose of merchandise covered by this provision at other periods than those herein provided, and upon such reasonable terms and conditions as the Code Authority may impose. Merchandise sold in accordance with this provision shall be exempt from the provisions of Section 10. Any action taken by the Code Authority under this provision shall be subject to review by the Administrator.

12. No member of the Industry shall make, directly or indirectly, any advertising allowance to any customer.

13. No extra discount shall be allowed on merchandise supplied to wholesale merchants for use as samples. Equipment rolls and folders may be supplied to wholesale merchants by manufacturers at a price of not less than the cost to the manufacturer.

14. No member of the industry shall brand or mark or pack any goods in any manner which is intended to or does deceive or mislead purchasers with respect to the brand, grade, quality, quantity, origin, size, substance, character, nature, finish, material content, or preparation of such goods.

15. No member of the Industry shall by purchase or exchange, or in any other manner acquire another manufacturer's merchandise from any customer, for the purpose of affecting or in any manner influencing the sale of merchandise to such customer.

Approved Code No. 94—Amendment No. 1.
Registry No. 271-1-01.



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